

BCK

BERNSTEIN, CUSHNER & KIMMELL, P.C.
ATTORNEYS AT LAW

Jeffrey M. Bernstein
Kenneth L. Kimmell
Erin M. O'Toole
Barbara Kessner Landau
Jonathan S. Klavens

585 Boylston Street, Suite 400
Boston, Massachusetts 02116
(617) 236-4090

Facsimile: (617) 236-4339
E-Mail: bckboston@bck.com
URL: www.bck.com

The firm has attorneys who
are also admitted to practice in
California, District of Columbia,
Idaho, and Vermont

July 26, 2006

VIA HAND DELIVERY

Mr. Robert N. Werlin, Esq.
Keegan Werlin LLP
265 Franklin Street, 6th Floor
Boston, MA 02110-3113

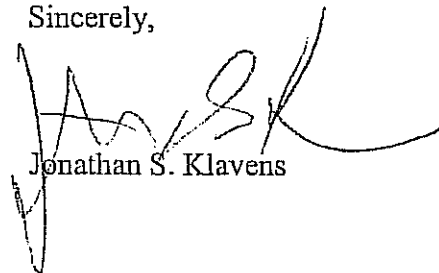
RE: DTE 06-40 NSTAR Electric Petition for Approval of Merger
Cape Light Compact's First Set of Document and Information Requests

Dear Mr. Werlin:

Enclosed please find the Cape Light Compact's First Set of Document and Information Requests to Boston Edison Company, Cambridge Electric Light Company, Canal Electric Company, and Commonwealth Electric Company in the above-referenced proceeding. Please provide the requested answers by Wednesday, August 2, 2006.

If you have any questions regarding this request, please contact me at the above-listed number.

Sincerely,



Jonathan S. Klavens

JSK/drb
Enclosures

cc: Mary L. Cottrell, Secretary (w/enc.) (via hand delivery)
Service List (w/enc.) (via first class mail)

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Vermont Office:
P.O. Box 205
Woodstock, VT 05091
Telephone: (802) 356-2560
Facsimile: (802) 910-1003
E-Mail: bckvt@bck.com

Mountain States Office:
P.O. Box 1527
Ketchum, ID 83340
Telephone: (208) 727-9734
Facsimile: (208) 727-9735
E-Mail: eotoole@bck.com

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

Joint Petition of Boston Edison Company,)
Cambridge Electric Light Company,)
Canal Electric Company and)
Commonwealth Electric Company d/b/a)
NSTAR Electric for Approval of Merger)

D.T.E. 06-40

**CAPE LIGHT COMPACT'S
DOCUMENT AND INFORMATION REQUESTS**

INSTRUCTIONS

1. These Document and Information Requests call for all information, including information contained in documents, which relates to the subject matter of the requests and which is known or available to Boston Edison Company ("Boston Edison"), Cambridge Electric Light Company ("Cambridge"), Commonwealth Electric Company ("Commonwealth"), and Canal Electric Company ("Canal") (together the "Companies"), d/b/a NSTAR Electric ("NSTAR"), or to any individual or entity sponsoring testimony or retained by the Company to provide information, advice, testimony or other services in connection with this proceeding.
2. Where a Request has a number of separate subdivisions or related parts or portions, a complete response is required to each such subdivision, part, or portion. Any objection to a Request should clearly indicate the subdivision, part, or portion of the Request to which it is directed.
3. If information requested is not available in the exact form requested, provide such information or documents as are available that best respond to the Request.
4. These requests are continuing in nature and require supplemental responses when further or different information with respect to the same is obtained.
5. Each response should be furnished on a separate page headed by the individual Request being answered. Individual responses of more than one page should be stapled or bound and each page consecutively numbered.
6. Each Document and Information Request to "Please provide all documents . . ." or similar phrases includes a request to "identify" all such documents. "Identify" means to state the nature of the document, the date on which it was prepared, the subject matter and the titles and the names and positions of each

person who participated in the preparation of the document, the addressee and the custodian of the documents. To the extent that a document is self-identifying, it need not be separately identified.

7. For each request that seeks a "Working Spreadsheet," provide a response in the form of working Excel spreadsheet models with all formulae and cell references in tact as well as hard copy. In each case, include all supporting documentation, work papers, calculations and assumptions.
8. For each document produced or identified in a response which is computer generated, state separately (a) what types of data, files, or tapes are included in the input and the source thereof, (b) the form of the data which constitutes machine input (e.g., punch cards, tapes), (c) a description of the recording system employed (including descriptions, flow charts, etc.), and (d) the identity of the person who was in charge of the collection of input materials, the processing of input materials, the data bases utilized, and the programming to obtain the output.
9. If a Document and Information Request can be answered in whole or part by reference to the response to another Request served in this proceeding, it is sufficient to so indicate by specifying the other Request by participant and number, by specifying the parts of the other response which are responsive, and by specifying whether the response to the other Request is a full or partial response to the instant Request. If it constitutes a partial response, the balance of the instant Request must be answered.
10. If NSTAR or the Companies cannot answer a Request in full, after exercising due diligence to secure the information necessary to do so, state the answer to the extent possible, state why the Company cannot answer the Request in full, and state what information or knowledge is in the Company's possession concerning the unanswered portions.
11. If, in answering any of these Document and Information requests, you feel that any Request or definition or instruction applicable thereto is ambiguous, set forth the language you feel is ambiguous and the interpretation you are using responding to the Request.
12. If a document requested is no longer in existence, identify the document, and describe in detail the reasons the document is unavailable.
13. Provide copies of all requested documents. A response which does not provide the Cape Light Compact with the responsive documents, and requests the Cape Light Compact to inspect documents at any location is not responsive.

14. If you refuse to respond to any Document and Information Request by reason of a claim or privilege, or for any other reason, state in writing the type of privilege claimed and the facts and circumstances you rely upon to support the claim of privilege or the reason for refusing to respond. With respect to requests for documents to which you refuse to respond, identify each such document.
15. Each request for information includes a request for all documentation which supports the response provided.
16. Provide two copies of each response.
17. The term "Companies" refers to Boston Edison, Cambridge, Commonwealth, and Canal Electric Company. The term "NSTAR" refers to NSTAR Electric Company. Unless the request specifically provides otherwise, the term Companies and NSTAR includes all witnesses, representatives, employees, and legal counsel.
18. Please furnish each response on a separate sheet of paper, beginning with a restatement of the question.

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

Joint Petition of Boston Edison Company,)
Cambridge Electric Light Company,)
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NSTAR Electric for Approval of Merger)

D.T.E. 06-40

**CAPE LIGHT COMPACT'S FIRST SET OF
DOCUMENT AND INFORMATION REQUESTS**

The following is the Cape Light Compact's first set of discovery in the above-referenced docket.

- CLC-1-1 With respect to RMR and other zonal transmission costs imposed by ISO New England in NEMA, please provide percentage of such costs allocated to:
- (a) Cambridge load; and
 - (b) Boston Edison NEMA load.
- CLC-1-2 With respect to RMR and other zonal transmission costs imposed by ISO New England in SEMA, please provide percentage of such costs allocated to:
- (a) Commonwealth load; and
 - (b) Boston Edison SEMA load.
- CLC-1-3 For each RMR contract currently in place in NEMA or SEMA, please provide:
- (a) The annual contract charge filed by the generator,
 - (b) The initial annual contract charge approved by FERC,
 - (c) The annual contract charge for each year that the contract has been in force.
- CLC-1-4 If the RMR contracts listed in IR MIT 1-13 (Mystic 8 & 9, Fore River and Potter 2) are approved by FERC as filed, what would be NSTAR Electric's share of the annual contract charges?
- CLC-1-5 For each of the three NSTAR distribution utilities, please provide a breakdown of the Retail Congestion Management Cost from Exhibit CLV-3 for the appropriate utility, including:

- (a) the cost of each RMR contract; and
 - (b) the cost of each SCR resource.
- CLC-1-6 For each of the three NSTAR distribution utilities, please provide the most detailed available forecast of transmission costs at the level of detail of Exhibit CLV-3, plus the cost of each RMR or SCR contract.
- CLC-1-7 Please provide the Working Spreadsheets underlying Exhibit NSTAR CLV-4 and CLV-5.
- CLC-1-8 Please provide a Working Spreadsheet containing the equivalent of Exhibit NSTAR CLV-5 with actual 2005 Retail Congestion Management Costs and FERC incentives.
- CLC-1-9 Please provide a Working Spreadsheet containing the equivalent of Exhibit NSTAR CLV-5 with NSTAR's forecast 2006 values, including Retail Congestion Management Costs and FERC incentives. If different from NSTAR's forecast, please also provide a version of Exhibit NSTAR CLV-5 that includes all the filed RMR contracts.
- CLC-1-10 Please provide any analysis NSTAR has performed of the effects on customers of consolidating distribution rates across the three NSTAR distribution utilities.
- CLC-1-11 Please provide the customer impact and total revenue impact by class if NSTAR's distribution rates were consolidated by moving Cambridge and Commonwealth customers to the corresponding Boston Edison tariff, at current rates.
- CLC-1-12 For each of the three NSTAR distribution utilities, please provide NSTAR's projection of transition charges in millions of dollars and cents per kWh for each year from 2010 on.
- CLC-1-13 If the transition charges for the three NSTAR distribution utilities were consolidated in 2010, please provide NSTAR's projection of combined transition charges in millions of dollars and cents per kWh for each year from 2010 on.
- CLC-1-14 Please provide any documents or studies that estimate the effect of the 345kV Transmission Reliability Project on market energy prices in NEMA.
- CLC-1-15 Please provide any documents or studies that estimate the effect of the 345kV Transmission Reliability Project on RMR and/or SRC contracts in NEMA.

- CLC-1-16 Please provide any projections available to NSTAR of zonal prices for capacity in the Forward Capacity Market under the FERC-approved Forward Capacity Auction.
- CLC-1-17 Please explain why NSTAR chose to present NSTAR-CLV-4 for real-time prices, rather than day-ahead prices or default-service supply prices.
- CLC-1-18 Please provide using Working Spreadsheets the equivalent of NSTAR-CLV-4 for day-ahead prices.
- CLC-1-19 Please provide NSTAR's estimate of the ratio of New England energy transacted in the day-ahead market to energy transacted in the real-time market for 2004, 2005, and 2006 to date.
- CLC-1-20 Please provide the prices for NEMA and SEMA supply for each NSTAR Default Service and Basic Service auction from 2003 to the present.
- CLC-1-21 Please provide the derivation of the Default Service rates from 2003 to the present for each NSTAR distribution utility, including the winning bid prices and the addition of losses and adders to the bid prices.
- CLC-1-22 Please provide the equivalent of NSTAR-CLV-4 for NSTAR's Default Service wholesale supply prices.
- CLC-1-23 Please provide NSTAR's estimate of the cost of maintaining data on investment, expenses, customer number, load, service quality and reliability,
- (a) separately for the area of each of its three distribution companies following the merger; and
 - (b) separately for two regions, one comprising the former Boston Edison and Cambridge territories, and the other comprising the former Commonwealth territory. (Assume that borderline municipalities could be transferred between the two regions, if it simplifies data collection or accounting.)
- CLC-1-24 Please explain how NSTAR proposes that load profiles for customers without interval meters would be developed in the merged company.
- (a) Would NSTAR continue to develop separate load profiles for former Cambridge, Boston Edison, and/or Commonwealth customers?
 - (b) Would NSTAR develop separate load profiles for its NEMA and SEMA areas?
 - (c) Would NSTAR develop a single aggregate load profile for all customers in a rate class, regardless of location?

Please explain why NSTAR's preferred approach would best serve the interests of electricity consumers and the competitive market.

- CLC-1-25 Please refer to the response to DTE-4-2. Please explain what is meant by the statement that NSTAR "may eliminate redundant load assets." Please also explain how market participants (including municipal aggregators) may be affected by such elimination.
- CLC-1-26 The Cape Light Compact and Commonwealth are parties to an energy efficiency plan operating agreement effective October 1, 2003. Please confirm that the proposed merger will not impact NSTAR's ability to provide to the Compact the data specified in the operating agreement. If the proposed merger will impact NSTAR's ability to comply with the operating agreement, please describe in detail any such impacts.
- CLC-1-27 Please refer to the response to DTE-3-4. Please explain whether NSTAR is claiming that the proposed merger will result in *additional* cost savings in the procurement of Basic Service and, if so, please specify the reason for such additional cost savings and quantify (using estimates as appropriate) the expected amount of such additional cost savings.
- CLC-1-28 Please refer to the response to DTE-3-4. Please explain further whether the proposed merger would result in estimated cost savings other than (1) any cost savings described in response to CLC-1-27, (2) the approximately \$400,000 per year of savings in administrative costs described in the response to DTE-3-4 and (3) the regulatory process savings described in the response to DTE-3-4.
- CLC-1-29 Please explain why certain Rate Design Worksheets (such as certain worksheets included in Attachment AG-2-2(a) through Attachment AG-2-2(c)) refer to "Settlement."
- CLC-1-30 The Pension Benefit Adjustment Factor (PAF) approved in D.T.E. 03-47B is currently calculated annually for each distribution company with individual company parameters such as cost of capital, deferrals, carrying costs, company specific pension benefits, prior reconciliations and forecast of electric sales. Please explain how the merged company would handle the PAF. Please provide bill impact analyses for each customer class for each of the Companies that include the effect of the proposed consolidation of the PAF. Identify the typical use for each customer class. Provide the response in the form of Working Spreadsheets.
- CLC-1-31 Please identify all deferral credits due or potentially due to customers following the proposed merger but arising from deferrals prior to the merger. For any such credits, please explain how such credits will be allocated.

CLC-1-32 Please refer to the response to DTE-4-5. Please confirm that (1) the Companies currently recover supply related bad debt in Default Service/Basic Service rates (including the Basic Service Adder) and not through the Default Service adjustment factor paid by distribution service customers and (2) the merged company will do the same.

SERVICE LIST
DTE 06-40

Mary Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Joan Foster Evans, Esq., Hearing Officer
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Joseph Rogers, Esq.
Office of the Attorney General
One Ashburton Place
Boston, MA 02108-1598

Donna Sharkey, Esq.
Rubin and Rudman
50 Rowes Wharf
Boston, MA 02110 06-40

John DeTore, Esq.
Rubin and Rudman LLP
50 Rowes Wharf
Boston, MA 02110-3319

Robert Shapiro, Esq.
Rubin and Rudman LLP
50 Rowes Wharf
Boston, MA 02110-3319

Roger Borghesani
The Energy Consortium
24 Hastings Road
Lexington, MA 02421-6807

Christopher Kallaher, Esq.
Direct Energy
236 Huntington Avenue, Suite 306
Boston, MA 02115

Richard Benka, Esq.
Foley Hoag LLP
155 Seaport Boulevard
Boston, MA 02210

Mary Beth Gentleman, Esq.
Foley Hoag LLP
155 Seaport Boulevard
Boston, MA 02210

Erika Hafner, Esq.
Keegan Werlin LLP
265 Franklin Street, 6th Floor
Boston, MA 02110-3113

David Rosenzweig, Esq.
Keegan Werlin LLP
265 Franklin Street, 6th Floor
Boston, MA 02110-3113

Robert Werlin, Esq.
Keegan Werlin LLP
265 Franklin Street, 6th Floor
Boston, MA 02110-3113

Robert Munnelly, Jr., Esq.
Murtha Cullina LLP
99 High Street, 20th Floor
Boston, MA 02110-2320

Colleen McConnell, Esq.
Office of the Attorney General
One Ashburton Place
Boston, MA 02108

Jeffrey M. Bernstein, Esq.
Jonathan S. Klavens, Esq.
Bernstein Cushner & Kimmell PC
585 Boylston Street, Suite 400
Boston, MA 02116